FOR MYSORE STATE

Passed
Mysore

Home (1953) Department

RT SERIES.

G.O. NO. 646

Dated 28/2/53

[Despatch Abstract.]

From

SRI T. G. SANJEVI, M.A., I.P.,
Inspector-General of Police,
MADRAS-4.

To

THE SECRETARY TO THE
GOVERNMENT OF MADRAS,
HOME DEPARTMENT.

R. C. No....124/W/53....., dated 6th February 1953.

Sir,

SUB: Police - Crime Branch C.I.D, Madras - Investigation Condapur station Cr.No. 55/50 in the South Kanara District - Temporary additional staff - Retention Sanction Requested.

Ref: G.O.Rt.No. 2459, Home, dated 22.8.52. p.3 (T)

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I request the Government to sanction the retention for a further period of six months from 22.3.53 or till the need ceases whichever is earlier of the temporary additional staff of one Inspector one Sub Inspector and 2 Head Constables in the Crime Branch C.I.D., Madras, last sanctioned in the Government Order cited for the investigation of Cr.No. 55/50 of the Condapur Police station in the South Kanara District.

2. The audit in the case is likely to be completed shortly and the Audit Report is expected to be got ready soon after its completion. In the first instance it was considered sufficient to audit the accounts of the Bank for the last 5 years but later it was found necessary to probe into all the accounts of the Bank since its inception as it was discovered that the Bank was systematically publishing false balance sheets from the beginning. Many of the Branches of the Bank were spread over in Bombay State and a lot of travel had therefore to be done by the Auditor in the course of the audit and thereby his audit work is being prolonged.

3. Most of the new items of fraud brought to light during the audit, have been investigated and the rest will also have to be investigated on receipt of the Audit Report. The existing temporary staff has to do a lot of work for carrying out further investigations analysis of the massive evidence instructing the Public Prosecutor and for drawing up a charge sheet etc. before the case is put into the court. When the case comes up for trial, numerous witnesses spread all over South India will have to be contacted and process served on them. The voluminous records in the case will have to be arranged for exhibition in the court. Particulars and antecedents of the defence witnesses will also have to be gathered. The trial will be a keenly contested one and it is likely to prolong for over 6 months. Considering the magnitude and importance of the case, I consider that the retention of the temporary additional staff for a further period of 6 months is very essential.

4. Specific sanction may kindly be accorded for the drawal of the special pays and allowances now drawn by this temporary additional staff.

5. The expenditure will be met from the appropriation under the relevant sub heads under "29. f. Police - C.I.D. - Voted."

for Inspr.-Genl. of Police.

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[Crl No. 2618/Pol IV/53].

Home Department. 3

G.O.Rt.No. 646 dated 28.2.53

Police - South Kanara district - Coondapur Station Cr.No.55/50 - The Agricultural and Industrial Bank fraud case - Temporary additional staff - Retention - Sanctioned.

Read: G.O.Rt.No.2459, Home, dated 22-8-1952.

From the I.G. of Police, R.C.No.124/W/53, dated 6-2-53.

O R D E R:

The Government of Madras sanction the retention for a further period of six months from 22-3-1953 or until the need ceases whichever is earlier, of the temporary additional staff of one Inspector, one Sub-Inspector and two Head Constables in the Crime Branch, C.I.D., Madras last sanctioned in G.O.Rt. No.2459, Home, dated 22-8-1952 for the investigation of the fraud case of the Agricultural and Industrial Brank Ltd., Coondapur, South Kanara district.

2. The temporary additional staff sanctioned in para.1 will continue to draw the special pays and allowances now drawn

p.t.o.

them in additionato pay and dearness allowance at the rates admissible.

3. The expenditure should be met from the appropriation under the relevant sub-heads under "29.f. Police - C.I.D. - Voted".

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To the I.G. of Police, Madras (3 copies)
,, A.G., Madras thro' the Fin. Dept.

(C.No.26181 Pol.III/53)

Home Department.

Police - Crime Branch - C.I.D., Madras - Investigation of Coondapur Station Crime No.55/50 in the South Kanara district - Temporary additional staff - Retention - Sanction.

From the I.G. of Police, R.C.No.124/W/53, dated 6-2-1953.

The General Manager of the Agricultural and Industrial Bank Ltd., Coondapur, South Kanara district lodged a complaint with the D.S.P., South Kanara on 3-8-1950 against one Vamana Shenoi and 21 others alleging that the accused entered into a criminal conspiracy and defrauded the Bank to the tune of Rs.9½ lakhs(latterly estimated at Rs.15 lakhs), an offence punishable under sections 102-B and 409 I.P.C. After preliminary investigation by the ~~Sub~~-Inspector, Udipi (which was registered as Cr.No.55/50 of Coondapur Police) the case was transferred to the C.I.D. on the recommendation of the D.S.P., South Kanara. The Supt. of Police, Crime Branch reported that detailed investigation had to be made in the four States of Madras, Bombay, Coorg and Mysore where the Bank had branches - 13 branches in Bombay and two in each of the other States. He requested sanction for a special staff of 1 Inspector, 2 S.Is. and 3 H.Cs. in the Crime Branch, Madras for the investigation. The I.G. considered that a special staff of 1 Inspector, 2 S.Is. and 2 H.Cs. was essential for the successful investigation of the case and it was sanctioned for six months from the date of employment, in G.O.Ms.No.405, Home dated 1-2-1951.

2. In August 1951 the I.G. reported that the examination of the accounts of the Bank and its branches was complete and that the remaining part of the investigation which consisted of tracing different parties concerned, checking of the relevant records and the examination of the accused numbering 22 had yet to be done. He therefore requested for the retention of the staff for a further six months from 22-9-1951 and this was sanctioned in G.O.R.No.2626, Home, dated 21-9-1951.

3. In January 1952 it was reported that the investigation of the case was almost completed, that an audit report on the accounts of the Bank was necessary, and as the Bank was not likely to appoint an auditor, the I.G. proposed the appointment of an auditor by the Government and the continuance of the staff. As it was considered that the entire investigating staff would not be necessary while the accounts were being audited, the retention of a staff of 1 Inspector, 1 S.I. and 2 H.Cs. for a period of six months from 22-3-1952 was sanctioned and the sanction for the appointment of an auditor on a consolidated fee of Rs.6,000 was also accorded in G.O.Ms.No.997, Home, dated 14-3-52.

4. In August 1952, the I.G. reported that the auditor commenced his work; that the audit unearthed numerous items of fraud; that the temporary additional staff were investigating the frauds as they were brought to light and that besides investigation the staff had to keep in touch with witnesses, attend to the service of processes, arrange for the safe transport of records and collecting particulars about defence witnesses. He therefore requested for the retention of the staff for a further period of six months from 22-9-1952 and this was sanctioned in G.O.Rt.No.2459, Home, dated 22-8-1952. This sanction expires on 21-3-1953.

5. The I.G. has now subd. proposals for the retention of the staff for a further period of six months from 22-3-1953. It is stated that the audit in the case is likely to be completed shortly and the audit report is expected to be got ready. In the first instance the auditing of the accounts of the Bank for the last 5 years was considered sufficient but later on it has been found necessary to probe into all the accounts of the Bank since its inception as it was discovered that the Bank was systematically publishing false balance sheets from the beginning, and the auditing work has been a prolonged one as many of the branches of the Bank were spread over in the Bombay State. Most of the new items of fraud brought to light during the audit are reported to have been investigated and the rest have to be investigated on receipt of the Audit Report. The temporary staff has to carry on further

investigations, analyse the massive evidence and aid the Public Prosecutor in framing the charge sheet. The numerous witnesses spread all over India will have to be contacted and processes served on them. The records will have to be arranged for exhibition in court and particulars and antecedents of defence witnesses has also to be collected. Considering the magnitude and importance of the case and the fact that the trial is likely to be a keenly contested one and prolong for over six months, the I.G. states that the retention of the temporary additional staff of one Inspector, one Sub-Inspector and two Head-constables for a further period of six months from 22-3-1953 is very essential. In the circumstances, it is for orders whether this Dept. may agree. If so, draft order subd. below is for approval. It may be sent to Finance for acceptance.

Home (Pol) Dept. 26181/Pol III/53-1
23-2-53

FIN-

Finance (S.T.)

In view of 'B' above, the retention of the Police staff for another period of six months may be agreed to, and the draft order below accepted.

24.2.53

Home Department

The draft order below may issue.

27.2.53

Fin. 14523 SD 53-1
Home

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[Issued as G.O. Rt. No. 1626 Home, dated 28.2.53]